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SUBJECT: OPPOSITION PARTIES COOPERATING IN A BID TO PRESERVE ECONOMIC REFORMS BUT OTHERWISE LACK VISION

Classified By: Ambassador Rodolphe M. Vallee for reasons 1.4 (b) and (d)  
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Summary

[¶](#)11. (C) Slovak opposition parties -- the Slovak Democratic and Christian Union-Democratic Party (SDKU), Hungarian Coalition Party (SMK) and the Christian Democratic Movement (KDH) -- are gradually improving their intra-party cooperation and appear united in their shared goal of maintaining the economic reforms that were passed by the previous SDKU-led Dzurinda government with SMK and KDH support. Opposition parties have institutionalized meetings before each legislative session to coordinate their political agenda, which to date has been exclusively focused on preserving Dzurinda's economic reforms. However, the opposition lacks a clear vision of how to connect with Slovak voters and effectively challenge the broad support Prime Minister Robert Fico's government now enjoys. Furthermore, the opposition's ability to block or change controversial government initiatives could be limited by competing visions for the future within SDKU, internal divisions in SMK and KDH, and what appears to be increasing voting discipline within the governing coalition.

Perspective from the largest opposition party

[¶](#)12. (SBU) Director of the Slovak Democratic and Christian Union-Democratic Party's (SDKU) Central Office Kamil Homola discussed with POLOFF on 20 June the largest opposition party, which has 31 seats in the legislature. Homola, who is close to Dzurinda, conceded that there are divisions within SDKU regarding how aggressively it should oppose Fico's government. Since Fico has so far mostly retained the SDKU economic policies he inherited, criticizing Smer too strongly could be counterproductive, as Homola conceded, especially now that SDKU needs to find a new policy focus. SDKU's main priority is maintaining the reforms it introduced while it was in government and retaining the 19 percent flat tax rate, or even lowering it to 17 percent. Two additional areas of key concern for SDKU are improving the quality of Slovak higher education and reforming the country's ailing health care system. SDKU plans to create a shadow government of experts in September. Homola explained that cooperation with the other opposition parties was strong.

[¶](#)13. (SBU) SDKU MP Alexander Slafkovsky, who serves on the public administration and the EU affairs committees in the Slovak legislature, characterized inter-party cooperation among opposition parties as improving, especially since the leadership of SMK and KDH has been resolved by their recent party congresses. Nonetheless, Slafkovsky conceded that it was difficult for opposition parties to find a theme that could rally the Slovak electorate. Slafkovsky also pointed

out that the governing coalition has been improving its voting discipline in the Slovak National Council, making it more difficult for the opposition to influence legislation, notably by appealing to economic moderates in Meciar's HZDS. Slafkovsky opined, however, that the real "glue" holding the coalition together is the roughly 11.2 billion euros of EU structural funds that Slovakia will receive over the next seven years. Slafkovsky asserted that Fico is using these funds to keep his junior coalition partners in line; most likely with the promise of granting them influence over where and how these funds will be spent.

#### Tensions within the Hungarian Coalition Party (SMK)

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14. (SBU) POLOFF met on 12 June with the Hungarian Coalition Party (SMK) Foreign Secretary Zoltan Bara, who outlined the main priorities for SMK under its new head, Pal Csaky, who was elected with the support of Hungarian nationalist Miklos Duraj. SMK has 20 seats in the Slovak legislature and is divided into two camps, one loyal to Csaky, the other to his predecessor, Bela Bugar. Bara rose to his position under Bugar's leadership and has been retained by Csaky. Apart from preserving the last government's economic reforms, SMK is deeply concerned about the anti-Hungarian and anti-minority statements of Slovak National Party (SNS) head Jan Slota and is monitoring Fico's policies towards minorities closely. Bara described the need for SMK to bring new perspectives into the party and is working to reinvigorate its focus on regional structures, and striving to have more women and young people become active in the party. Bara praised opposition cooperation and pointed to their combined success at so far blocking the government's efforts to merge the two state insurance companies into one as an example of

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opposition party coordination.

15. (SBU) Csaky's election as party chief on 31 March, however, has been greeted with skepticism by the other two coalition partners. SDKU representatives are concerned about Csaky's close relations with Duraj. SDKU and KDH leaders also caution that Csaky is less visible and dynamic than Bugar and could be a more difficult partner to motivate. Indeed, according to the leaders of the other opposition parties, SMK, while so far supportive of the initiatives of the other opposition parties, has introduced no initiatives of its own.

#### Rift within the Christian Democratic Movement

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16. (SBU) POLOFF on 21 June met with Christian Democratic Movement (KDH) MP Rudolf Bauer, who serves on the public administration and the EU affairs committees and represents the smallest opposition party, which has 14 seats. Bauer praised the level of cooperation between the three opposition parties and is focused on preserving the last government's economic policies. He pointed out that KDH is divided into two main camps, the Christian value-driven camp led by Vladimir Palko and the somewhat more pragmatic, compromising camp led by Pavol Hrusovsky. While Bauer admitted that these two camps offer competing visions for KDH's future, he maintained that KDH would not split again, because it had learned that lesson from the two previous splits in its history. A split in KDH now could well mean the end of the party, which is currently polling just above the 5 percent threshold needed to enter the legislature. Bauer posited that after KDH's recent party congress on 16 June, at which Hrusovsky was easily elected KDH's leader, the defeated Palko wing--to which Bauer belongs--would do its best to repair the internal rift.

17. (SBU) Representing the Hrusovsky wing of KDH, POLOFF met on 22 June with Julius Brocka, who characterized the rift in

KDH as somewhat more troubling, and opined that the two weeks since the KDH congress is not enough time for the party to mend their divisions. Nonetheless, he said KDH deputies have agreed to not comment on these divisions in the media, since the party is already at "the lowest point possible." Neither Brocka or Bauer presented concrete initiatives through which KDH aspires to court voters. Their main focus is on simultaneously preserving fiscal discipline while promoting yet to be determined pro-family policies.

Opposition Critical of Fico's First Year in Power

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18. (SBU) The Heads of the three opposition parties, Mikulas Dzurinda (SDKU), Pavol Hrusovsky (KD) and Pal Csaky (SMK) spoke from one table and with one voice at a conference on "365 days of Social-Democratic Government" organized by the right-of-center youth group Young Democratic Citizens (ODM) on June 25. The three party leaders were unanimous in their belief that the only positive steps taken by PM Fico's government have been the preservation of reforms enacted when their parties were in government between 1998 and 2006. They were likewise unanimous in their derision of Fico's inability to pass reforms in the spheres he had paid the most lip-service to during the election campaign, Health, Education and Culture. All three leaders said publicly and unequivocally that their parties would not join a coalition with Fico's Smer in the current election term, and all three voiced hope that their parties will be able to reach agreement on a single nominee for the 2008 Presidential election.

Comment

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19. (C) While the opposition is meeting regularly and appears united in its efforts to maintain the previous government's responsible economic policies, all three parties lack a clear vision for the way forward. Moreover, the new leadership within SMK and KDH will require time to develop their respective party platforms and visions. SMK and KDH also must address the divisions in their respective parties. In the case of KDH, developing its political vision is threatened by deep concerns that Hrusovsky is promoting loyalists over skilled KDH experts. Only one representative of Palko's faction is so far represented on the KDH policy formulation board, former Justice Minister Daniel Lipsic, whose much needed expertise many local commentators fear will be marginalized.

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